

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-second Legislature - First Regular Session

MAJORITY CAUCUS CALENDAR

March 26, 2015

BLUE SHEET #4 (concur/refuse)

BLUE SHEET #5 (concur/refuse)

Bill Number	Short Title	Committee	Date	Action
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Committee on Appropriations

Chairman: Justin Olson, LD25

Analyst: Jennifer Thomsen

Vice Chairman: Vince Leach, LD11

Intern: Meagan Swart

SB 1257

medical licensure; state programs; prohibition
(APPROP S/E: behavioral health; transfer; AHCCCS)

SPONSOR: WARD, LD5

SENATE	2/19/2015	(29-0-1-0)
(NV: WARD)		

APPROP	3/25	DPA/SE	(10-2-0-2-0)
(No: ALLEN J,UGENTI; Abs: GRAY,RIVERO)			

SB 1260

~~technical correction; child support~~

~~—(Now: protected plants; destruction; notice)~~

(APPROP S/E: waiting period; applicability; impounded cats)

SPONSOR: SHOOTER, LD13

SENATE	3/4/2015	(30-0-0-0)
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APPROP	3/25	DPA/SE	(11-3-0-0-0)
(No: ALLEN J,PETERSEN,BOWERS)			

SB 1293

GIITEM subaccount; predictive policing technology

SPONSOR: SMITH, LD11

SENATE	3/5/2015	(27-3-0-0)
(No: DALESSANDRO,ABLESER,QUEZADA)		

APPROP	3/25	DPA	(13-1-0-0-0)
(No: UGENTI)			

SB 1339

public records; unduly burdensome requests

(APPROP S/E: ballot collection; voted; early; prohibition)

SPONSOR: SHOOTER, LD13

SENATE	2/23/2015	(18-11-1-0)
(No:		

DALESSANDRO,FARLEY,BRADLEY,SMITH,BIGGS,GRIFFIN,DIAL,LES
KO,BURGES,ABLESER,QUEZADA; NV: CAJERO BEDFORD)

APPROP	3/25	DPA/SE	(9-5-0-0-0)
(No: SHERWOOD,MEYER,ALSTON,CARDENAS,MACH)			

SB 1450

securities registration; exemption; website operators
(APPROP S/E: banks; insuring organization)

SPONSOR: FARNSWORTH D, LD16

SENATE 2/23/2015 (29-0-1-0)
(NV: CAJERO BEDFORD)

APPROP 3/25 DPA/SE (9-4-0-1-0)
(No: MEYER,ALSTON,CARDENAS,MACH; Abs: SHERWOOD)

Committee on Agriculture, Water and Lands

Chairman: Brenda Barton, LD6

Vice Chairman: Darin Mitchell, LD13

Analyst: Tom Savage

Intern: Christopher Palmer

SB 1185

appropriation; wolf recovery; litigation costs
(APPROP S/E: guest removal; landlord tenant act)

SPONSOR: GRIFFIN, LD14

SENATE 2/19/2015 (18-11-1-0)

(No: DALESSANDRO,CAJERO
BEDFORD,PANCRAZI,BEGAY,FARLEY,BRADLEY,CONTRERAS,HOBB
S,ABLESER,QUEZADA,MEZA; NV: WARD)

AWL 3/5 DP (6-2-0-1-0)

(No: GABALDÓN,OTONDO; Abs: MONTENEGRO)

APPROP 3/26 DPA/SE (10-4-0-0-0)

(No: SHERWOOD,MEYER,ALSTON,MACH)

SB 1462

~~water supply development fund; committee~~
~~(Now: water infrastructure finance authority; board)~~
(AWL S/E: board of regents; commercial paper)

SPONSOR: WARD, LD5

SENATE 3/5/2015 (30-0-0-0)

AWL 3/19 DPA/SE (9-0-0-0-0)

Committee on County and Municipal Affairs

Chairman: Doug Coleman, LD16

Vice Chairman: Tony Rivero, LD21

Analyst: Ginna Carico

Intern: Robert Lewis

SB 1066

political subdivisions; financial audit reports

SPONSOR: PIERCE, LD1

SENATE 2/16/2015 (29-0-1-0)

(NV: MIRANDA)

CMA 3/2 DP (8-0-0-0-0)

Committee on Commerce

Chairman: Warren H. Petersen, LD12

Vice Chairman: Jill Norgaard, LD18

Analyst: Diana Clay

Intern: Justin Larson

SB 1141

~~county procedures; technical correction~~
(Now: corporations; purposes; directors and officers)

SPONSOR: WORSLEY, LD25

SENATE 3/4/2015 (23-6-1-0)

(No: WARD,ALLEN,BARTO,FARNSWORTH D,LESKO,BURGES; NV:
SHOOTER)

COM 3/18 DPA (8-0-0-0-0)

Committee on Education**Chairman: Paul Boyer, LD20****Analyst: Aaron Wonders****Vice Chairman: Jay Lawrence, LD23****Intern: Joey Pickels****SB 1076**teacher student loan program; appropriation
(APPROP S/E: additional state aid; maximum amount)

SPONSOR: YEE, LD20

SENATE	2/23/2015		(29-0-1-0)
(NV: CAJERO BEDFORD)			
ED	3/18	DP	(7-0-0-1-0)
(Abs: BOYER)			
APPROP	3/26	DPA/SE	(8-5-1-0-0)
(No: SHERWOOD, MEYER, ALSTON, CARDENAS, MACH; Present: STEVENS)			

SB 1306

schools; data privacy

SPONSOR: WARD, LD5

SENATE	3/11/2015		(29-0-1-0)
(NV: FARLEY)			
ED	3/18	DPA	(6-0-0-2-0)
(Abs: BOLDING, BOYER)			

Committee on Energy, Environment and Natural Resources**Chairman: Franklin M. Pratt, LD8****Analyst: Tom Savage****Vice Chairman: Russell "Rusty" Bowers, LD25****Intern: Christopher Palmer****SB 1200**technical correction; mining museum
(Now: mining and mineral museum; transfer)

SPONSOR: GRIFFIN, LD14

SENATE	3/4/2015		(20-9-1-0)
(No: DALESSANDRO, PANCRAZI, BEGAY, BRADLEY, CONTRERAS, HOBBS, M IRANDA, QUEZADA, MEZA; NV: DIAL)			
EENR	3/16	DPA	(9-0-0-0-0)
APPROP	3/25	DPA	(10-1-0-3-0)
(No: MACH; Abs: GRAY, RIVERO, UGENTI)			

Committee on Judiciary**Chairman: Edwin W. Farnsworth, LD12****Analyst: Gina Kash****Vice Chairman: Sonny Borrelli, LD5****Intern: Morganne Barrett****SB 1046**technical correction; mobile home parks
(Now: criminal trespass; first degree; classification)

SPONSOR: PIERCE, LD1

SENATE	3/4/2015		(29-0-1-0)
(NV: SHOOTER)			
JUD	3/18	DP	(5-0-0-1-0)
(Abs: BORRELLI)			

SB 1459

pupils; restraint; seclusion; requirements

SPONSOR: WARD, LD5

SENATE	3/9/2015		(27-0-3-0)
(NV: CAJERO BEDFORD, PANCRAZI, BEGAY)			
JUD	3/18	DP	(6-0-0-0-0)

Committee on Military Affairs and Public Safety**Chairman: Sonny Borrelli, LD5****Analyst: Casey Baird****Vice Chairman: Mark Finchem, LD11****Intern: Delaney Krauss****SB 1271** virtual border fence; appropriation**SPONSOR: WORSLEY, LD25**

SENATE 3/9/2015 (22-5-3-0)
(No: DALESSANDRO, CONTRERAS, ABLESER, QUEZADA, MEZA; NV:
CAJERO BEDFORD, PANCRAZI, BEGAY)
MAPS 3/19 DP (8-0-0-1-0)
(Abs: MACH)
APPROP 3/25 DP (12-2-0-0-0)
(No: SHERWOOD, MACH)

SB 1291 firearms; state preemption; penalties**SPONSOR: SMITH, LD11**

SENATE 2/24/2015 (19-11-0-0)
(No: DALESSANDRO, CAJERO
BEDFORD, BEGAY, FARLEY, BRADLEY, CONTRERAS, HOBBS, ABLESER
, MIRANDA, QUEZADA, MEZA)
MAPS 3/12 DP (4-3-0-2-0)
(No: CARDENAS, ANDRADE, MACH; Abs: CAMPBELL, PRATT)

SB 1387 recreational user immunity; access**SPONSOR: PIERCE, LD1**

SENATE 3/3/2015 (30-0-0-0)
MAPS 3/19 DP (7-0-0-2-0)
(Abs: BORRELLI, FINCHEM)

Committee on Rural and Economic Development**Chairman: Thomas "T.J." Shope, LD8****Analyst: Ryan Sullivan****Vice Chairman: Russell "Rusty" Bowers, LD25****Intern: Matthew VanBenschoten****SB 1041** ~~groundwater permits; technical correction~~

(Now: simulcast racing; pari-mutuel wagering)

SPONSOR: PIERCE, LD1

SENATE 2/26/2015 (26-2-2-0)
(No: FARLEY, FARNSWORTH D; NV: WARD, ABLESER)
RED 3/10 DP (4-2-0-2-0)
(No: GONZALES, MENDEZ; Abs: BENALLY, BARTON)

Committee on Transportation and Infrastructure**Chairman: Rick Gray, LD21****Analyst: Justin Riches****Vice Chairman: David W. Stevens, LD14****Intern: Samantha Oswitch****SB 1237** electronic driver licenses; ADOT authority

(APPROP S/E: clean elections)

SPONSOR: DIAL, LD18

SENATE 2/26/2015 (28-0-2-0)
(NV: WARD, ABLESER)
TI 3/17 DP (9-0-0-0-0)
APPROP 3/26 DPA/SE (8-6-0-0-0)
(No: SHERWOOD, MEYER, ALSTON, CARDENAS, UGENTI, MACH)

SB 1325 first responder special plates
 SPONSOR: MIRANDA, LD27
 SENATE 3/9/2015 (25-2-3-0)
 (No: PIERCE,FARLEY; NV: CAJERO BEDFORD,PANCRAZI,BEGAY)
 TI 3/17 DP (9-0-0-0-0)

SCR 1012 primary freight network; supporting ADOT
 SPONSOR: WORSLEY, LD25
 SENATE 3/5/2015 (30-0-0-0)
 TI 3/17 DP (9-0-0-0-0)

Committee on Ways and Means
Chairman: Darin Mitchell, LD13
Analyst: Ryan Sullivan

Vice Chairman: Anthony Kern, LD20
Intern: Matthew VanBenschoton

SB 1181 vehicle inspections; ADOT
 SPONSOR: WORSLEY, LD25
 SENATE 3/3/2015 (30-0-0-0)
 WM 3/16 DP (8-1-0-0-0)
 (No: UGENTI)

SB 1319 taxation; self-reported errors; injured spouses
 SPONSOR: WORSLEY, LD25
 SENATE 2/25/2015 (28-0-2-0)
 (NV: BEGAY,ABLESER)
 WM 3/9 DPA (7-0-0-2-0)
 (Abs: MESNARD,UGENTI)

March 24, 2015 # 4

Senate has passed amended:

1. HB 2003 PETERSEN technical correction; unclaimed property; transition CONCUR/REFUSE

28-0-2-0 _____ (Now: fire sprinklers; permits; regulation)

FCC Conferees _____

2. HB 2021 BROPHY MCGEE adult protective services; information online CONCUR/REFUSE

28-0-2-0 _____

FCC Conferees _____

3. HB 2213 PETERSEN inspections; audits; notice; rights CONCUR/REFUSE

24-4-2-0 _____

FCC Conferees _____

4. HB 2296 FARNSWORTH E adoption petition; county attorney CONCUR/REFUSE

20-8-2-0 _____

FCC Conferees _____

5. HB 2315 BARTON financial information; comprehensive database; posting CONCUR/REFUSE

16-12-2-0 _____

FCC Conferees _____

6. HB 2440 LIVINGSTON tax; insurance; retaliation CONCUR/REFUSE

28-0-2-0 _____

FCC Conferees _____

7. HB 2557	<u>PRATT</u>	<u>codes; adoption by reference; copies</u>	CONCUR/REFUSE
28-0-2-0			
		FCC Conferees	
8. HB 2587	<u>FINCHEM</u>	<u>state agencies; credit cards</u>	CONCUR/REFUSE
28-0-2-0			
		FCC Conferees	
9. HB 2591	<u>WENINGER</u>	<u>securities registration; exemption; website operators.</u>	CONCUR/REFUSE
28-0-2-0			
		FCC Conferees	
10. HB 2645	<u>CARTER</u>	<u>laboratory testing without physician order</u>	CONCUR/REFUSE
26-2-2-0		<u>(Now: laboratory testing; without order)</u>	
		FCC Conferees	
11. HB 2646	<u>OLSON</u>	<u>rulemaking; approval of governor; factors</u>	CONCUR/REFUSE
16-12-2-0		<u>(Now: rulemaking; factors; governor approval)</u>	
		FCC Conferees	

March 25, 2015 # 5

Senate has passed amended:

1. HB 2142 BORRELLI water infrastructure finance authority: prepayment CONCUR/REFUSE

27-2-1-0 EMERGENCY _____

FCC Conferees _____



HOUSE OF REPRESENTATIVES

SB 1257

medical licensure; state programs; prohibition

Sponsor: Senator Ward

DPA/SE Committee on Appropriations

X Caucus and COW

House Engrossed

OVERVIEW

SB 1257 Prohibits the Arizona Medical Board (Medical Board) and the Arizona Board of Osteopathic Examiners (Osteopathic Board) from requiring licensees to pass examinations not authorized in statute or obtain specialty certifications as a condition of licensure.

PROPOSED STRIKE-EVERYTHING AMENDMENT TO SB 1257

The proposed strike-everything amendment to SB 1257 effectuates the transfer of behavioral health services from the Arizona Department of Health Services (ADHS) to the Arizona Health Care Cost Containment System (AHCCCS).

HISTORY

Laws 1981, Chapter 1, established AHCCCS, the Arizona Medicaid program that oversees contracted health plans for the delivery of health care for certain low-income individuals and families in Arizona. Medicaid is a federal healthcare program jointly funded by the federal and state governments. AHCCCS operates under a managed care system, contracting with health plans that coordinate and pay for medical services from health care providers.

Laws 1973, Chapter 158, established the ADHS which consists of numerous divisions which include various bureaus, offices and programs within each division. The Division of Behavioral Health Services (Division) is the permanent authority for publicly funded behavioral health services in Arizona. The Division contracts with community-based organizations, known as Regional Behavioral Health Authorities (RBHAs) to administer behavioral health services. Each RBHA contracts with a network of service providers to deliver behavioral health services, treatment programs for adults with substance abuse and serious mental illness along with children with serious emotional disturbances. Arizona is currently served by four RBHAs; Mercy Maricopa Integrated Care; Community Partnership of Southern Arizona; Northern Arizona Behavioral Health Authority; and Cienpatco Behavioral Health of Arizona.

Laws 2015, Chapter 19 provided the statutory framework for the transfer of behavioral health services from ADHS to AHCCCS.

PROVISIONS

ADHS

1. Eliminates the Division and the position of deputy director of the Division and makes the necessary statutory adjustments.
2. Requires the director of ADHS to assume the charge and control of the Arizona state hospital (ASH).
3. Transfers current rule making requirements regarding ASH to the director of ADHS.

4. Requires, annually, the superintendent of ASH to estimate the probable daily per capita cost of treatment and maintenance of each category of patients for the next year as determined in accordance with standard accounting practices.
5. Specifies ADHS must present a budget request that includes all information on the potential availability of other monies, including federal monies, that may be used in the following fiscal year to fund ASH.
6. States the budget request presented must include a proposed budget for ASH, with a specific amount of the total budget estimated to be used for patients who are seriously mentally ill.
7. Provides that monies appropriated to ADHS for ASH programs, fees generated by ADHS for these programs and grants and gifts to ADHS must be maintained in the appropriate fund to pay program and administrative costs. The administrative costs of each program must be separately identified in the accounting records of ADHS.
8. Requires, on or before January 1 of each year, the director to submit to the Governor and the Legislature a financial and programmatic report on ASH for the preceding fiscal year. The report must include all revenues and expenditures of ASH, including specific identification of administrative costs for the number of persons served at ASH.
9. Stipulates that the director of ADHS must make rules that include standards for ASH when providing services as an evaluation agency or mental health agency and must prescribe forms as may be necessary for the proper administration and enforcement of those responsibilities. The rules must be applicable to patients admitted to, evaluated by or treated in ASH and must provide for periodic inspections of ASH.
10. Requires the director of ADHS to make rules concerning the admission of patients to ASH and the transfer of patients between ASH and other mental health treatment agencies. A patient undergoing court-ordered treatment may be transferred between ASH and another mental health treatment agency in accordance with the rules adopted by the director, subject to approval of the court.
11. Specifies the director must make rules concerning leaves, visits and absences of patients from ASH.
12. Continues to require that the total amount of state monies that may be spent in any fiscal year by ADHS for mental health services must not exceed the amount appropriated or authorized.
13. Repeals Arizona Revised Statutes (A.R.S.) § 36-503.02 related to the serious mentally ill services fund and provides that all unencumbered and expended monies in the fund are transferred to the General Fund.
14. States that ADHS is not relieved from any responsibility as prescribed by state or federal law.
15. Prohibits ADHS from requiring persons with whom it contracts for the purpose of subcontracts entered into for the provision of domestic violence services to utilize the procurement process.

AHCCCS

16. Transfers the statutory authority of the Division to AHCCCS.
17. Prohibits the director of AHCCCS from making rules for ASH.
18. States AHCCCS must not exceed the amount appropriated or authorized in any fiscal year for mental health services.
19. Provides that a person who is determined to be eligible for coverage through AHCCCS to establish financial responsibility in accordance with the rules established by AHCCCS.
20. Requires the rules to comply with applicable federal requirements for cost sharing.
21. States AHCCCS must adopt a patient fee scheduled to be used by approved treatment facilities for services rendered to each patient determined eligible for services, who is afflicted with alcoholism.

22. Stipulates that AHCCCS acting through RBHAs must establish a diagnostic and evaluation program to which other state agencies must refer children who are not already enrolled and who may be in need of behavioral health services.
23. States in addition to an evaluation, AHCCCS acting through a RBHA must identify children who may be eligible for services and refer the children to the appropriate agency responsible for making the determination.
24. Requires the director to administer unified mental health programs, excluding the functions of ASH but including community mental health.
25. Stipulates the director carry out mandated duties.
26. Requires AHCCCS to contract with an independent consulting firm for an annual study of the adequacy and appropriateness of title XIX reimbursement rates to providers of behavioral health services.
27. States AHCCCS may require the RBHAs and services providers to provide administration financial data in the format prescribed by AHCCCS to assist in the study.
28. Requires AHCCCS to provide the report to the Joint Legislative Budget Committee (JLBC) on or before October 1 of each year.
29. Mandates that AHCCCS present a budget request that includes all information on the potential availability of other monies, including federal monies, that may be used to fund behavioral health services other than with respect to the operation of ASH.
30. Provides that if AHCCCS contracts with behavioral health contractors that would act as RBHAs or directly with a services provider for behavioral health services, AHCCCS and each behavioral health contractor or provider must prepare and make available monthly summary statements, in a format prescribed by AHCCCS with outlined information.
31. Permits AHCCCS to include a provision to charge, payable to ADHS, for services provided at ASH.
32. Requires copying fees received by AHCCCS to be placed in the AHCCCS fund.
33. Requires the director to prepare and issue a request for proposals for behavioral health services.
34. States that AHCCCS' contracts with RBHAs must include terms as necessary in the judgment of the director:
 - a. To ensure adequate performance and compliance with all applicable federal laws by the RBHAs;
 - b. For the maintenance of deposits, performance bonds, financial reserves or other financial security;
 - c. For the withholding or forfeiture of payments to be made to a RBHA by AHCCCS due to the RBHA's failure to comply with a provision of the RBHA's contract with AHCCCS or adopted rules; and
 - d. Authorizing AHCCCS to operate a RBHA directly.
35. States that if there is an insufficient number of qualified bids for prepaid capitated behavioral health services within a geographic service area, the director may employ other options outlined in statute.
36. Provides that during any period in which services are needed and no contract exists, the director may employ other options as provided for in statute.
37. Stipulates if there is an insufficient number of, or an inadequate member capacity in, contracts awarded to contractors, the director, in order to deliver covered services to members enrolled or expected to be enrolled in the system within a county, may negotiate and award without a bid a contract.
38. Declares to the extent that services are furnished, a RBHA is not subject to the insurance provisions contained within Title 20.
39. States that RBHAs are subject to A.R.S. § 36-2905, relating to a tax equal to 2% of the total capitation, including reinsurance, and any other reimbursement paid to the contractor by AHCCCS.

40. Exempts AHCCCS from the statutory procurement process when contracting with RBHAs.

41. Exempts AHCCCS from the procurement process relating to contracts with RBHAs.

Miscellaneous

42. Requires a county that has more than 600,000 persons but less than 2,000,000 and that has an intergovernmental agreement with ADHS in effect as of January 1, 2001 for the delivery of behavioral health and mental health care services to maintain an agreement with this state to provide for the integration of the system at the same funding amount, except for the funding for court ordered screening and evaluation.

43. Mandates that a county with a population of more than 2,000,000 persons and that has an intergovernmental agreement with ADHS in effect as of January 1, 2001 for the delivery of service to the seriously mentally ill to maintain an agreement with the state to provide for the integration of the system at the same terms and funding amount and with mutually agreed on annual adjustment for inflation.

44. Allows ADHS, acting on behalf of ASH, AHCCCS or a RBHA to intervene as a party to the proceedings on any petition for court-ordered treatment and may appear as a party at the hearing on the petition by filing a written notice of intervention with the clerk of the superior court in the county in which the petition was filed, at any time before either the original time set for the hearing or the time to which the hearing is continued.

45. Requires each county to coordinate the provision of mental health services with AHCCCS or a RBHA.

46. Specifies, when determining client eligibility, that a RBHA must receive a request for services for a person with a serious mental illness from an authorized guardian.

47. Changes the chapter heading of Title 36, Chapter 34, A.R.S. from *Division of Behavioral Health* to *Behavioral Health Services*.

48. Repeals A.R.S. § § 36-3402, 36-3412 and 36-3414 relating to the deputy director of the Division, RBHA financial security and medically needy account monies.

49. Transfers the human rights committee on the mentally ill and all its duties, powers and oversight from ADHS to AHCCCS.

50. Transfers the administration of the seriously mentally ill housing trust fund from ADHS to AHCCCS.

51. Requires AHCCCS and ADHS, on or before November 15, 2015, to submit a joint report for review by JLBC and the Office of Strategic Planning and Budgeting that details the transfer of resources between the two departments.

52. Contains an effective date of July 1, 2016.

53. Adds and revises definitions.

54. Makes technical, conforming and clarifying changes.

Amendments

Committee on Appropriations

1. The strike-everything amendment was adopted.



HOUSE OF REPRESENTATIVES

SB 1260

protected plants; destruction; notice

Sponsor: Senator Shooter

W/D Committee on Agriculture, Water & Lands

DPA/SE Committee on Appropriations

X Caucus and COW

House Engrossed

OVERVIEW

SB 1260 reduces the notice requirements for owners of private land who intend to clear land by removing protected native plants.

SUMMARY OF THE PROPOSED STRIKE-EVERYTHING AMENDMENT TO SB 1260

The proposed strike-everything amendment to SB 1260 exempts eligible cats from the minimum holding requirement of 72 hours at the county pound and prohibits pound fees from being charged to an owner reclaiming an impounded cat.

HISTORY

Arizona Revised Statutes (A.R.S.) § 11-1013 allows the county board of supervisors (BOS) in each county to provide or authorize a county pound or pounds or enter into a cooperative agreement with a city, a veterinarian or an Arizona incorporated humane society for the establishment and operation of a county pound. Any stray dog must be impounded and all dogs and cats impounded must be given proper care and maintenance. Current statute requires each stray dog or impounded cat to be kept and maintained at the county pound for a minimum of 72 hours or 120 hours if the animal is wearing a license, unless claimed sooner by its owner.

Current statute requires an owner or owner's agent of an impounded cat or dog to pay all pound fees established by a BOS when reclaiming their dog or cat from the pound (A.R.S. § 11-1013).

A.R.S. § 11-1022 defines *sterilization* as the surgical removal of the reproductive organs of a dog or cat or the use of humane nonsurgical methods and technologies approved by the Food and Drug Administration, the US Department of Agriculture or the Environmental Protection Agency to permanently render the animal unable to reproduce.

PROVISIONS

1. Exempts impounded cats from the minimum holding period of 72 hours at the county pound if the cat meets the following conditions:
 - a. Is eligible for the sterilization program; and
 - b. Will be returned to the vicinity where the cat was originally captured.
2. Defines *eligible* for the purposes of this Act as a cat that is living outdoors, lacks discernible identification, is of sound health and possesses its claws.
3. Clarifies that the county pound must keep and maintain an animal *impounded with a microchip or any other discernible form of owner identification* for 120 hours.
4. Prohibits pound fees from being charged to an owner or owner's agent reclaiming an impounded cat.
5. Makes technical and conforming changes.

AMENDMENTS

Committee on Appropriations

1. Maintains that owners reclaiming an impounded cat or dog must pay all pound fees established by a BOS.
2. The strike-everything amendment as amended was adopted.



HOUSE OF REPRESENTATIVES

SB 1293

GIITEM subaccount; predictive policing technology

Sponsors: Senators Smith: Hobbs, Kavanagh, et al.

DPA Committee on Appropriations

X Caucus and COW

House Engrossed

OVERVIEW

SB 1293 is an emergency measure that permits up to \$2,000,000 of the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) Border Security and Law Enforcement Subaccount (Subaccount) to be distributed to law enforcement agencies in specified municipalities in order to implement a *predictive policing technology software* pilot program.

HISTORY

GIITEM was developed in 1992 as a statewide multi-agency taskforce to provide gang and illegal immigration enforcement and intelligence services. GIITEM specifically operated as a gang taskforce until 2006 when GIITEM obtained additional responsibilities of preventing border-related crimes. GIITEM is comprised of the following five districts:

- Northern District (*Coconino, Mohave, Navajo and Apache*)
- Central District (*Maricopa*)
- Border District (*Pinal, Pima, Cochise and Yuma*)
- Immigration Enforcement District (*Maricopa*)
- Intelligence Support District (*Maricopa and Pima*)

Subaccount monies are allocated to border security personnel and public safety equipment and are provided directly to the county sheriffs. In fiscal year 2015, the Legislature appropriated \$2,390,000 for the Subaccount, which was unchanged from 2014. The Subaccount collects \$4 of a \$13 criminal fee.

Laws 2015, Chapter 8, Section 86 appropriates \$2,390,000 to the Subaccount. Laws 2015, Chapter 17, Section 8 requires the Department of Public Safety (DPS) to submit a Subaccount expenditure plan to the Joint Legislative Budget Committee (JLBC) for review.

PROVISIONS

1. Allows a maximum of \$2,000,000 deposited in the Subaccount to be appropriated to the State Treasurer to be distributed to a law enforcement agency for the purpose of implementing a pilot program for purchasing and maintaining predictive policing technology software in any of the following municipalities:
 - a. A city with a population of one million or more (*Phoenix*).
 - b. A city with a population of 400,000-500,000 (*Mesa*).
 - c. A city with a population of 52,000-60,000 (*Lake Havasu City*).
2. Expands the use of GIITEM Fund monies to law enforcement relating to human trafficking and Subaccount monies for expenses relating to public safety technology.
3. Authorizes the State Treasurer to administer the Subaccount, rather than DPS.
4. Requires the State Treasurer to submit the results of a request for proposal to the JLBC for review and allocates unused monies to the Subaccount, after review.

5. Defines *predictive policing technology software* as software to which all of the following apply:
 - a. uses predictive capabilities based on historical data, current crime patterns and forward mathematical modeling;
 - b. does not use personally identifiable information to create predictions;
 - c. customizes predictions by location, time of day and specific crime types;
 - d. is accessed through a secure web interface;
 - e. is hosted in a secure cloud;
 - f. prepares predictions for multiple crime types, including property crime, gang activity, drug incidents, traffic accidents and gun violence;
 - g. delivers reports through a simple, intuitive, easy-to-use interface with minimal officer training required;
 - h. automatically recalibrates predictions whenever new crime information is added;
 - i. allows direct delivery to patrol officers via paper, e-mail or any internet-enabled device;
 - j. generates predictions by applying mathematical algorithms and criminal behavior theory to large data sets of past crime data;
 - k. does not require dedicated hardware or personnel to operate and maintain the system; and
 - l. has references from at least five separate law enforcement agencies where this type of software has been successfully implemented.
6. Contains an emergency clause.
7. Makes technical changes.

AMENDMENTS

1. Strikes language which transfers authority of the Subaccount from DPS to the State Treasurer.
2. Appropriates \$1,858,500 to the County Sheriffs, each in specified amounts.
3. Increases the predictive policing pilot program appropriation to \$1,150,000.
4. Requires DPS to submit a Subaccount expenditure plan to JLBC before spending the money.
5. Mandates an entity receiving money from the Subaccount to submit a report to JLBC stating how the money will be used.
6. Changes the population threshold for less populated cities from 52,000-60,000 (*Lake Havasu City*) to 42,000-48,000 (*Maricopa* and *Sierra Vista*)
7. States that any unused monies be reverted into the Concealed Weapons Permit Fund.



HOUSE OF REPRESENTATIVES

SB 1339

public records; unduly burdensome requests

Sponsor: Senator Shooter

DPA/SE Committee on Appropriations

X Caucus and COW

House Engrossed

OVERVIEW

SB 1339 stipulates that it is a defense to any action with regard to a public records request if the request is unduly burdensome or harassing.

SUMMARY OF THE PROPOSED STRIKE-EVERYTHING AMENDMENT TO SB 1339

The proposed strike-everything amendment to SB 1339 limits who can collect another person's voted or unvoted early ballot.

HISTORY

Arizona Revised Statutes (A.R.S.) § 16-541 requires all elections in Arizona to provide for early voting. All qualified electors may vote by early ballot if they make a request to the county recorder, or other officer in charge of elections of the political subdivision in which the voter is registered, to early vote within 93 days of the election. Early voters must sign an affidavit declaring that the ballots they submit are marked by the voter or by those who assisted the voter in marking their selections. After sealing their ballot in the envelope, early voters or their agents may mail the envelopes to the county recorder or other officer in charge of elections of the political subdivision in which the voter is registered or deposit it at any polling place in the county (A.R.S. §§ 16-541, 16-542, 16-547, 16-548).

A.R.S. § 16-1005 prescribes a Class 5 felony for the following ballot abuses:

- Knowingly marking a voted or unvoted ballot or ballot envelope with the intent to fix an election.
- Offering or providing any consideration to acquire a voted or unvoted early ballot.
- Receiving or agreeing to receive any consideration in exchange for a voted or unvoted ballot.
- Knowingly soliciting the collection of voted or unvoted ballots by misrepresenting oneself as an election official or an operator of an official ballot repository or ballot drop off site.

PROVISIONS

1. Prohibits a person from collecting more than two voted or unvoted early ballots during a two-year election cycle, unless the person is any of the following:
 - a. The voter's family member.
 - b. The voter's household member.
 - c. The voter's caregiver.
 - d. A candidate.
 - e. A candidate's spouse.
2. Prescribes a Class 6 felony for knowingly violating this Act.
3. Defines *family member* as a person related to the voter by blood, marriage, adoption or legal guardianship.
4. Defines *household member* as a person who resides at the same residence as the voter.

5. Defines *caregiver* as a person who provides medical or health care assistance to the voter in a residence, nursing care institution, hospice facility, assisted living center, assisted living facility, assisted living home, residential care institution, adult day health care facility or adult foster care home.
6. Makes a technical change.

AMENDMENTS

Committee on Appropriations

1. The strike-everything amendment was adopted.



HOUSE OF REPRESENTATIVES

SB 1450

securities registration; exemption; website operators

Sponsors: Senators Farnsworth D, Bradley, Dalessandro, et al.

W/D Committee on Banking & Financial Services

DPA/SE Committee on Appropriations

X Caucus and COW

House Engrossed

OVERVIEW

SB 1450 exempts issuers from certain criteria in current law on the sale or offering of securities.

Summary of the Proposed Strike-Everything Amendment to SB 1450

The proposed strike-everything amendment to SB 1450 permits state chartered banks to purchase and hold insurance from the Federal Deposit Insuring Corporation (FDIC), the National Credit Union Association (NCUA) or its successor, or any equivalent deposit insurer approved by the Superintendent of Financial Institutions (Superintendent).

HISTORY

The FDIC is an independent agency of the federal government that is tasked with preserving and promoting public confidence in the U.S. financial system by insuring deposits in banks and thrift institutions for at least \$250,000; by identifying, monitoring and addressing risks to the deposit insurance funds; and by limiting the effect on the economy and the financial system when a bank fails.

The NCUA is an independent federal agency that regulates, charters, and supervises federal credit unions. The NCUA operates and manages the National Credit Union Share Insurance Fund, insuring the deposits of more than 98 million account holders in all federal credit unions and the majority of state-chartered credit unions. The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 increased the maximum share insurance coverage at all federally insured credit unions to \$250,000.

PROVISIONS

1. Defines *insuring organization* as the FDIC, the NCUA or its successor, or any other equivalent deposit insurer approved by the Superintendent.
2. Permits state chartered banks to purchase insurance from an insuring organization. Current law requires state chartered banks to purchase insurance from the FDIC.
3. Makes technical and conforming changes.

AMENDMENTS

Committee on Appropriations

1. The proposed strike-everything amendment was adopted.



HOUSE OF REPRESENTATIVES

SB 1185

appropriation; wolf recovery; litigation costs
Sponsors: Senators Griffin, Allen, Burges, et al.

DPA/SE Committee on Appropriations

X Caucus and COW

House Engrossed

OVERVIEW

SB 1185 appropriates \$250,000 from the General Fund (GF) to the Attorney General in Fiscal Year (FY) 2016 for litigation expenses relating to a challenge against any expansion of the Mexican Wolf Recovery Program.

Summary of the Strike-Everything Amendment to SB 1185

The proposed strike-everything amendment to SB 1185 asserts that a tenant's guest who is not named on the written lease and who stays on the premises without permission from the tenant or landlord has not established residency or tenancy, and requires such a guest to be removed by law enforcement at the request of the landlord or tenant.

HISTORY

Arizona Revised Statutes Title 33, Chapter 10, establishes the Arizona Residential Landlord and Tenant Act (Act). The Act serves the purposes of simplifying, clarifying, modernizing and revising laws pertaining to the rental of dwelling units and the rights and obligations of landlord and tenant. The Act does not apply to commercial or industrial properties, mobile home park communities, recreational vehicle long-term tenants or hotel and motel occupants.

The Act outlines detailed landlord and tenant obligations, including: restrictions on security deposits and methods for providing notices to tenants; prohibited provisions in rental agreements; tenant obligations regarding rent and compliance with rules; liability for guests; and remedies for noncompliance by either the landlord or the tenant. The Act also provides for enforcement in court by the landlord or the tenant.

PROVISIONS

1. Specifies that a tenant's guest who is not named on a written lease and who remains on the premises without the permission of the tenant or the landlord is not a lawful tenant and that such a person's presence does not constitute residency or tenancy.
2. Requires a person who knowingly remains on the premises without the permission of the tenant or the landlord to be removed by a law enforcement officer at the request of the tenant or the landlord who is entitled to possession of the premises.

AMENDMENTS

Committee on Appropriations

1. The Strike-Everything Amendment was adopted.
2. Allows rather than requires a person who knowingly remains on the premises without the permission of the tenant or the landlord to be removed by a law enforcement officer at the request of the tenant or the landlord.



HOUSE OF REPRESENTATIVES

SB 1462

water infrastructure finance authority; board

Sponsor: Senator Ward

DPA/SE Committee on Agriculture, Water and Lands

X Caucus and COW

House Engrossed

OVERVIEW

SB 1462 changes the population requirement for a Governor-appointed member of the Water Infrastructure Finance Authority Board (WIFA).

Summary of the Proposed Strike-Everything Amendment to SB 1462

The proposed strike-everything amendment to SB 1462 allows the Arizona Board of Regents (ABOR) to issue commercial paper.

HISTORY

Commercial paper is an unsecured, short-term debt instrument issued by corporations to finance short-term liabilities and may be used as a lower-cost alternative to bank loans. Maturities on commercial paper usually do not exceed 270 days and the average maturity is between 30 and 35 days.

Arizona Revised Statutes § 15-1683 allows ABOR to issue bonds if:

- a. The projected debt service on the bonds and certificates of participation shown in the most recent capital improvement plan reported to ABOR does not exceed 8% in any fiscal year (FY) of the institution's total projected expenditures and mandatory transfers; and
- b. The project to be acquired with the proceeds of the bonds is reviewed by the Joint Committee on Capital Review (JCCR).

PROVISIONS

1. Allows ABOR to obtain lines of credit for cash management or liquidity purposes and issue commercial paper to provide short-term financing for up to 270 days for:
 - a. Capital projects;
 - b. Payment of expenses; or
 - c. Providing for payment of commercial paper or other previous obligations.
2. Requires commercial paper to be repaid within 270 days.
3. Permits commercial paper to be issued as notes or other obligations, to be issued as a single instrument or as a succession of instruments.
4. Allows commercial paper to be issued pursuant to an ABOR resolution or authorized agreements.
5. Permits the repayment obligations on commercial paper to be payable from and secured by fees, tuitions, rentals and other charges; interest and earnings on investments; or from amounts budgeted and allocated by ABOR.
6. Requires commercial paper payable from amounts budgeted and allocated by ABOR to provide that:
 - a. The obligation to make payments for or related to commercial paper is a current expense and is not a general obligation indebtedness of ABOR or the state; and

- b. If ABOR fails to budget and allocate monies for any periodic payment or renewal term for any future fiscal period, the obligation to make payments for or related to commercial paper ceases at the end of the fiscal period and ABOR and the state are relieved of any subsequent payment obligations.
- 7. Requires ABOR to establish a final maturity date or final renewal period and a maximum rate of interest for commercial paper by resolution or authorizing agreement.
 - 8. Allows the individual instruments representing commercial paper to:
 - a. Bear interest at rates not exceeding the maximum rate established by ABOR;
 - b. Mature and be retired over periods not ending later than the final maturity date or renewal period established by ABOR; and
 - c. Be retired with the proceeds of bonds or other obligations.
 - 9. Allows commercial paper to be sold through an agent or a dealer recognized in municipal finance in the form of instruments that mature at intervals and bear interest at rates determined to be the most advantageous to ABOR.
 - 10. Allows ABOR to:
 - a. Contract with a bank or other financial institution, insurance company or indemnity company to provide additional security for the commercial paper in the form of a line of credit, a letter of credit, and insurance policy or other security;
 - b. Pay the costs of the additional security from amounts provided by the commercial paper or from other lawfully available sources and may enter into reimbursement obligations in connection with the cost of the additional security.
 - 11. Specifies that any reimbursement obligation entered into with a bank or other financial institution, insurance or indemnity company may not provide for the payment on interest in excess of the maximum interest rate established by ABOR or a different maximum interest rate established by ABOR for the reimbursement obligation.
 - 12. Stipulates that JCCR is not required to review or approve the issuance of commercial paper.
 - 13. Requires ABOR to submit an annual report to the Governor and the Legislature on any commercial paper issued during the previous FY, including the amount of commercial paper issued, the purposes for which the commercial paper was used and any commercial paper that was redeemed.

AMENDMENTS

Agriculture, Water and Lands

- 1. The strike-everything amendment was adopted.



HOUSE OF REPRESENTATIVES

SB 1066

political subdivisions; financial audit reports

Sponsor: Senator Pierce

DP Committee on County and Municipal Affairs

X Caucus and COW

House Engrossed

OVERVIEW

SB 1066 modifies requirements for municipality, county and community college district financial statements and reports that must be filed with Auditor General (OAG).

HISTORY

The OAG is statutorily required to prescribe a uniform expenditure reporting system for all political subdivisions subject to the expenditure limitations in the Arizona Constitution Article 9, Sections 20 & 21. For counties, community college districts and municipalities, the system includes an annual expenditure limitation report, an annual financial statement, and a reconciliation of the total expenditures reported within the financial statement to the total expenditures stated within the expenditure limitation report.

The OAG must provide detailed instructions for report completion and submission and must prescribe definitions for terms utilized in the reports. Currently, reports must be filed with the OAG within four months after the close of each fiscal year (FY). Upon written request, the OAG may grant up to a 120 day extension, if extenuating circumstances exist that prevent submission of the report within the four month timeframe (Arizona Revised Statutes [A.R.S.] § 41-1279.07).

A.R.S. § 9-481 requires the governing body of each incorporated city or town to audit and create an audit report including all of the municipality's accounts and funds, the professional opinion of the accountant with respect to the financial statements, and a determination as to whether Highway User Revenue Fund monies received by the municipality are being used solely for the authorized purposes. The audit must be completed and the report must be submitted within six months after the close of the FY or years audited.

PROVISIONS

Expenditure Limitation Reports; Financial Statements; OAG

1. Directs municipalities, counties, and community college districts to do the following with the reports and statements required in A.R.S. § 41-1279.07:
 - a. Post financial statements in a prominent location on the entity's official website no later than seven business days after the date of filing with the OAG.
 - i. Notes that the financial statements must be retained and accessible in a prominent location on the official website for five years.
2. Directs the entity's governing body to include a form, prescribed by the OAG, in the published budget in the subsequent FY, if the entity's financial statements are not completed and filed on or before the adoption of the budget.
 - a. Requires the form to state that the financial statements required to be filed with the OAG are pending, the reasons for the delay and the estimated date of completion.
 - b. Asserts that if the financial statements are not posted on the website, the prescribed form must be posted in lieu of the financial statements until the financial statements are filed.

- c. Requires the governing body, if required to complete the form, to send a copy of the form to the OAG, Speaker of the House of Representatives and President of the Senate.
3. Extends the deadline for reports to be filed with the OAG from four to nine months and strikes the OAG's ability to grant an extension.

Municipalities; Audit Report; Online

4. Requires municipalities to submit their audit report to the OAG within nine months after the close of each FY or years audited.
5. Directs municipalities to publish the audit report on their official website no later than seven business days after the date of filing the financial statements with the OAG.

Miscellaneous

6. Removes the ability for cities and towns without a website to post their estimates of revenues and expenses on an association of cities and towns website and requires they be posted on the municipality's or county's official website.
7. Makes technical and conforming changes.



HOUSE OF REPRESENTATIVES

SB 1141

corporations; purposes; directors and officers

Sponsor: Senator Worsley

DPA Committee on Commerce

X Caucus and COW

House Engrossed

OVERVIEW

SB 1141 establishes the Arizona Business Entities Competitive Omnibus Act that entitles all corporations formed under Title 10 to pursue any purpose, including a *nonmonetary* purpose or to create any private or public benefit.

HISTORY

The Arizona Corporation Commission (Commission), Corporations Division (Division), approves filings for all Articles of Incorporation and Articles of Organization for businesses, grants authority to foreign corporations to transact business in Arizona and revokes the corporate charters of corporations that do not comply with state law. The Division collects from each corporation an annual report that reflects its current status, business, and financial condition and provides public access to the reports. According to the Commission, any significant changes to Articles of Incorporation or Articles of Organization for Limited Liability Companies in the form of amendments, mergers, consolidations, dissolutions or withdrawals are also filed with the Division. All filings are public record and available for inspection.

[Arizona Corporation Commission – azcc.gov/Divisions]

Arizona Revised Statutes (A.R.S.), Title 10, establishes the regulations, powers and duties for various corporations and associations, including the boards of directors, officers and shareholders, articles of incorporation, any bylaws and amendments, annual reports and other related matters. The *Articles of Incorporation* include the corporate name, the number of shares authorized for issue, a brief statement of the character of the business, and specific identifying information, including names/addresses of directors and their signatures, among other permissible and optional information. The *Articles of Disclosure* disclose specific information about all directors, officers, trustees, incorporators and controlling persons, including any crimes or court judgments, decrees or permanent orders of any state or federal court, bankruptcies, receiverships and former names/addresses during the course of the prior seven year period.

Laws 2013, Chapter 165, established *benefit corporations* or *B corporations* with a purpose that creates a general public benefit and a positive impact on society and the environment. The fiduciary duty requires consideration of non-financial interests when making decisions. Further, benefit corporations must file annual reports that detail their social and environmental performance using recognized third party industry standards.

PROVISIONS

1. Stipulates that any corporation formed under Title 10 has the power of a *benefit corporation* and a director may consider any interests in determining what is in the best interest of the corporation.
2. Extends to all corporations, the power to take any action to pursue any purpose, including a *nonmonetary* purpose or to create any private or public benefit.

3. States that any person acting on behalf of a corporation as an officer or director who knew or should have known that a person did not have valid authority to act, is liable for all the debts and liability incurred by the act.

Shareholders and Meetings

4. Permits action by the shareholders without a meeting upon written consent by the minimum required number of votes necessary to authorize or take action. Current law requires the action to be taken by all of the shareholders entitled to vote on the action.
5. Specifies the action must be signed by the minimum number of votes needed to authorize or take action. Current law requires the signature of all shareholders entitled to vote.
6. Permits the written consent described below to include *electronic transmissions*, and must be included in the minutes of the meeting or filed with the corporate records. Directs the format to be in either hard copy or electronically, depending on the medium used.
7. Dictates that actions taken by shareholders without a meeting must be taken by all shareholders and evidenced by *written consent* (includes electronic transmission) of all shareholders as follows:
 - a. The election of directors or the removal of one or more directors.
 - b. The Articles of Incorporation require all shareholders to take action.
 - c. The corporation is an issuing public corporation, unless otherwise noted in the corporation articles or bylaws.
 - d. The corporation was formed before the effective date of this legislation, unless the articles or bylaws are otherwise amended.
8. Authorizes shareholders' meetings to include remote communication by shareholders.
9. Allows shareholders not physically present, but participating remotely, to be deemed present in person and to vote at the meeting through remote communication. Outlines necessary provisions to implement such meetings.
10. Permits appointment of a proxy by means of signing an appointment form or through electronic transmission, if there is a specific date on the transmission confirming the sender.
11. Strikes archaic language and conforms provisions for remote communication.
12. Makes the shareholder agreement effective for the duration of the corporation's existence, unless provided otherwise. Current law makes the agreement valid for 10 years.

Directors

13. States that the consents and signatures may be either in writing or by electronic transmission, must be included in the minutes of the meeting and filed with the corporate records.
14. Requires the filings to be in electronic or hard copy form, depending on the format used.
15. Prohibits any person from bringing an action against a corporation, its officers or directors for decisions that relate to the following:
 - a. To pursue or create a nonmonetary purpose, even if not in the articles of incorporation.
 - b. To consider the effects of a nonmonetary purpose, even if not in the articles of incorporation.
 - c. Allows enforcement proceedings against a corporation, officers or directors as outlined.
16. Stipulates that a corporation, its officers and directors are not liable for monetary damages pertaining to decisions involving a nonmonetary purpose, whether or not the purpose is included in the articles of incorporation.

17. Defines *nonmonetary purpose* to mean any purpose other than to benefit the economic or financial interests of the shareholders of the corporation.
18. Ensures that upon delivery of the articles of dissolution, the corporation is not required to file any additional final reports if the Commission files the dissolution within 180 days.
19. Directs the corporation to file all required annual reports if it subsequently files articles of revocation of dissolution.

Foreign Corporations

20. Modifies statutory language to clarify amendments to a foreign corporation's corporate name, period of duration, state or country of incorporation.
21. Requires amendment of the foreign corporation's application for authority if a statement was inaccurate when it was made.

Records and Reports

Foreign Corporations and Limited Liability Corporations

22. Outlines the liability provisions for persons who authorize or sign documents with respect to a corporation and deliver for filing with the Commission, knowing that information is materially false or misleading.
23. States that an action for liability must be commenced within two years after discovering the false statement or within the amount of time a reasonable person would have discovered it, but not later than six years after the report, certificate, notice or other document was filed or received by the Commission. Outlines exceptions.
24. Confirms that serving as a statutory agent does not constitute a certification of truth or accuracy of information for purposes of a report, certificate, notice or other document.

Miscellaneous

25. Decreases, from seven to the prior five years, the amount of time in which the certificate of disclosure must state pertinent information about the corporation officers and directors and whether they have been convicted of certain crimes.
26. Modifies the provision regarding actions before incorporation and the resulting liability.
27. Defines pertinent terms.

AMENDMENTS

Committee on Commerce

1. Applies the standards of conduct and presumptions in the corporate code to benefit corporations.
2. Makes technical and conforming changes.



HOUSE OF REPRESENTATIVES

SB 1076

teacher student loan program; appropriation
Sponsors: Senators Yee, Begay, Bradley, et al.

DP Committee on Education

DPA/SE Committee on Appropriations

X Caucus and COW

House Engrossed

OVERVIEW

SB 1076 appropriates \$350,000 in Fiscal Year (FY) 2016 from the General Fund to the Arizona Commission for Postsecondary Education for the Mathematics, Science and Special Education Teacher Loan Program and expands its eligibility requirements.

Summary of the Proposed Strike-Everything Amendment to SB 1076

The proposed strike-everything amendment to SB 1076 specifies the maximum amount of Additional State Aid for education that may be funded by this state.

HISTORY

Article IX, Section 18 of the Arizona Constitution caps class 3 primary property taxes at no more than 1% of a home's full cash value. The "1% cap" applies any time a homeowner's net combined property tax rate for all taxing jurisdictions combined exceeds \$10 per \$100 of net assessed value, even after the Homeowner's Rebate is applied.

The Arizona Constitution does not specify a mechanism for enforcing the 1% cap. In practice, the 1% cap has been implemented by having the state backfill any primary property tax costs for homeowners that exceed the 1% cap through Additional State Aid.

According to the Joint Legislative Budget Committee, 1% cap costs are expected to grow by about \$16.7 million to approximately \$27.6 million of the estimated \$359.9 million total cost of Additional State Aid for FY 2015.

PROVISIONS

1. Caps, beginning in FY 2016, the maximum amount of Additional State Aid for education that may be funded by this state for a FY at \$1 million per county.
2. Requires the Property Tax Oversight Commission (PTOC) to determine the proportion of the violation of the Arizona Constitution for a FY that is attributable to each taxing jurisdiction, other than this state, within and including the affected school districts for any county in excess of the \$1 million cap.
3. Requires PTOC to compute an amount, based on the determined proportions and after deducting the amount of Additional State Aid that the state would continue to pay, that each taxing jurisdiction must transfer to the affected school districts during the FY to compensate the affected school districts for the taxing jurisdiction's pro rata share of the reduction in Additional State Aid. Directs PTOC to notify taxing jurisdictions of the amount by December 31.

4. Requires PTOC to compute the amount of Additional State Aid that the affected school districts will forego as the districts pro rata share of the overall required reduction.
5. Requires PTOC to assume, when computing the proportion of the violation of the Arizona Constitution, a proportion of zero for any taxing jurisdiction that has a primary property tax rate for the FY that is less than or equal to the average primary property tax rate for peer jurisdictions.
6. Prescribes that the primary property tax rates for school districts that are used to determine the amount of violation of the Arizona Constitution are the net effective rates that exist after the adjustment is applied.
7. Requires, beginning in FY 2016, a taxing jurisdiction to transfer the amount computed by the PTOC to the school districts by January 31.
8. Requires the districts to notify the State Treasurer of the amount owed if a county, city or town does not make the transfer by January 31. Requires the State Treasurer to withhold the amount, after confirmation of nontransfer, from any transaction privilege tax revenues that would otherwise be distributed to the county, city or town.
9. Requires the State Treasurer to transfer the amount of withheld revenues to the affected school districts in a timely manner.
10. Excludes county, city, town and community college district transfers from the county, city town and community college expenditure limitations.
11. Prohibits, beginning in FY 2016, a taxing jurisdiction from levying a primary property tax rate that exceeds the primary property tax rate levied in the prior FY if PTOC computed a proportion in violation of the Arizona Constitution greater than zero for the prior FY.
12. Requires, for FY 2016, PTOC to determine whether each school district, county, city, town or community college district would have had a proportion of the violation of the Arizona Constitution of greater than zero for FY 2015 if new regulations were in place for FY 2015. Requires PTOC to notify each district, county, city, town or community college district of the determination by July 15, 2015.
13. Requires the maximum \$1 million to be distributed first to districts in the county that have the smallest Additional State Aid for education costs in order to fully fund Additional State Aid for as many of those school districts as possible.
14. Requires any remaining amount of the Additional State Aid to be allocated to the remaining affected school districts on a pro rata basis based on the amount of Additional State Aid that they will forego for the FY.
15. Subtracts, beginning in FY 2016, an amount equal to the amount of Additional State Aid that the school district is expected to forego, if any, from the base support level.
16. Repeals conflicting chaptered language.
17. Defines *peer jurisdictions*.
18. Makes technical and conforming changes.

AMENDMENTS

Committee on Appropriations

1. The strike-everything amendment was adopted.



HOUSE OF REPRESENTATIVES

SB 1306

schools; data privacy

Sponsors: Senators Ward, Yee: Allen, et al.

DPA Committee on Education

X Caucus and COW

House Engrossed

OVERVIEW

SB 1306 makes changes to the Arizona Department of Education's (ADE) education data system privacy and confidentiality requirements.

HISTORY

Laws 2010, Chapter 334, established the Data Governance Commission (Commission) to identify, examine and evaluate the needs of public institutions that provide instruction to K-12 grades and postsecondary students. The Commission establishes guidelines relating to managed data access, technology, privacy and security and provides recommendations on technology spending, access privileges and access management and the control of data confidentiality and data security for stored and transmitted data (Arizona Revised Statutes (A.R.S.) § 15-249.01).

A.R.S. 15-1041 establishes the Student Accountability Information System (SAIS) to enable school districts, joint technical education districts and charter schools to transmit student level data and school finance data electronically to ADE. Statute requires any disclosure of educational records compiled by ADE to comply with the Family Educational Rights and Privacy Act (FERPA), a federal law that protects the privacy of student education records (ed.gov). Additionally, A.R.S. § 15-1045 requires ADE to maintain the database to limit the use of information to comply with statutory obligations, ensure that personally identifiable information is confidential and not public record, employ proper security measure to ensure the confidentiality and integrity of the education database and secure data from breaches and identity theft.

A.R.S. § 15-1042 defines *student level data* as all data elements that are compiled and submitted for each student in the state that are necessary for the completion of the statutory requirements of ADE and the Arizona State Board of Education (SBE) relating to the calculation of funding for public education, the determination of student academic progress as measured by student testing programs in this state, state and federal reporting requirements and other duties prescribed to ADE or SBE by law. *Student level data* does not include data elements related to student behavior, discipline, criminal history, medical history, religious affiliation, personal physical descriptors or family information not authorized by the parent or guardian of the pupil or otherwise required by law.

PROVISIONS

Data Governance Commission

1. Directs the Commission to create, publish and make publicly available on ADE's website a data dictionary with definitions of individual student data elements in the education data system, including the following:
 - a. Elements that are required to be reported by state and federal education mandates.
 - b. Elements that have been proposed for inclusion in the education data system with a statement regarding the purpose or reason for the proposed collection.
 - c. Elements that are collected or maintained without a currently identified purpose.

2. Requires the Commission to review and approve data elements to be included in the education data system.
 - a. Requires any new student data collection to be announced to the general public and posted for at least a 60 day review and comment period.
3. Expands the information required in the Commission's annual report to include the following:
 - a. New data elements proposed for inclusion in the education data system.
 - b. Changes to existing data collections required for any reason, including changes to federal reporting requirements.
 - c. An explanation of exceptions granted by ADE regarding the release of student level data out of state.
 - d. The results of any privacy or security audit conducted within the previous year, except information that would pose a threat to the security or confidentiality of the education data system or the secure transmission of data between school districts, charter schools and ADE.

Data Confidentiality

4. Directs ADE to develop criteria for the approval of data requests from state and local agencies, the Legislature and researchers.
 - a. Directs ADE to release masked student level data unless otherwise allowed by law or if ADE determines the request to qualify for an exception under FERPA.
5. Replaces references to the ADE *education database* with *education data system*.
6. Deletes existing requirements for ADE database maintenance.
7. Reinserts the requirement for personally identifiable information and student level data contained in the education data system to be confidential and not public record.
8. Directs ADE to create a unique pupil identifier for each student in the education data system.
9. Directs ADE to develop, publish and make publically available policies and procedures to comply with all relevant state and federal privacy laws, including FERPA.
10. Instructs ADE's developed policies to require:
 - a. Access to student level data in the education data system be limited to:
 - i. Authorized ADE staff that require access to perform assigned duties required by law, interagency data sharing agreements or other legal obligations.
 - ii. School district and charter school administrators, teachers and personnel who require access to perform assigned duties.
 - iii. Students and the parents of the student, except that accessible information is limited to data about that student.
 - iv. The authorized staff of other state agencies in the state or political subdivisions as required by law or prescribed by interagency data sharing agreements.
 - v. Researchers conducting approved studies.
 - b. ADE only use aggregated data that does not contain personally identifiable information in public reports and in response to public records requests, except as provided by law.
 - c. Students and parents be notified of private rights concerning educational records under federal and state law.
11. Prohibits ADE from transferring student level data deemed confidential to any federal agency or state or local agency, unless allowed by law.
12. Requires ADE to develop and implement a detailed security plan that includes the following:
 - a. Procedures for authorizing access to the education data system and student level data.
 - b. Standards for compliance with federal and state privacy laws and regulations.
 - c. Privacy and security audits.
 - d. Planning for a possible breach of data security, including notification procedures to entities that own data that may be affected by the data breach.

- e. Data retention and destruction policies consistent with the Arizona State Library, Archives and Public Records (ASLAPR) adopted guidelines.
 - f. Compliance with statewide technology security standards adopted by the Arizona Department of Administration, at a minimum.
13. Directs ADE to ensure that any contracts with private vendors governing databases, assessments or instructional supports that contain student level data include express provisions for safeguarding privacy and security and civil penalties for noncompliance.
14. Prohibits school districts and charter schools from reporting the following student level data to ADE:
- a. Juvenile delinquency records.
 - b. Criminal records, except incident data required for school safety purposes.
 - c. Medical and health records.
15. Prohibits school districts and charter schools from collecting the following data for any student:
- a. Political affiliation.
 - b. Religious affiliation.
 - c. Biometric information, except as allowed by law.
 - d. Firearms ownership.

ADE Chief Privacy Officer and Chief Data Officer

16. Directs the Superintendent of Public Instruction to appoint a chief privacy officer to assume primary responsibility for agency private policy.
17. Enumerates the following duties of the chief privacy officer:
- a. Ensure the use of technology sustains and does not erode privacy protections.
 - b. Ensure that student level data contained in the education data system is handled in full compliance with applicable state and federal laws.
 - c. Evaluate, in conjunction with the chief data officer, legislative and regulatory proposals involving the collection, use and disclosure of student data by ADE.
 - d. Conduct, in conjunction with the chief data officer, a privacy impact assessment on proposed ADE rules and on the privacy of student data, including the type of personal information collected and the number of students affected.
 - e. Coordinate with the Attorney General and chief data officer to ensure programs, policies and procedures affecting civil rights, civil liberties and privacy considerations are addressed in an integrated and comprehensive manner.
 - f. Establish and operate a process for parents to file complaints of possible privacy violations and provide redress procedures.
 - g. Ensure that all privacy-related incidents are properly reported, investigated and mitigated as appropriate.
 - h. Work with the chief data officer to provide training, education and outreach to build a culture of privacy throughout ADE.
 - i. Conduct investigations and submit reports relating to the administration of programs and operations of ADE regarding privacy matters.
18. Grants the chief privacy officer access to all records, reports, audits, reviews, documents, papers, recommendations and other materials available to ADE that are necessary to complete the responsibilities of the office.
19. Directs the chief information officer of ADE to appoint a chief data officer.
20. Enumerates the following duties of the chief data officer:
- a. Coordinate with the chief privacy officer to fulfill the duties of the office.
 - b. Establish policies and procedures to ensure the efficient and secure collection, storage, maintenance and disposition of all data collected in the education data system according to applicable laws.

- c. Establish policies necessary for implementing fair information practice principles to enhance privacy protections.
- d. Work with the chief privacy officer and other officials in engaging stakeholders about the quality, usefulness, openness and privacy of data.
- e. Establish and operate, in coordination with the chief information officer, a privacy incident response program.

Miscellaneous

- 21. Authorizes ADE to assess fees for requests for the production of data or for the assembly of data that is otherwise confidential and not public record into aggregated reports that are not already available.
- 22. Allows a student's parent or legal guardian to request to review a copy of the student's educational record, including data submitted to the education data system, using statutory processes.
- 23. Eliminates the requirement for ADE to grant a school district, Joint Technical Education District or charter school an extension to student level data submission deadlines and the authority for ADE to allow for an alternative method of submission if the school or district shows good cause and the school or district will continue receiving monies for educating students.
- 24. Requires student immunization records to be maintained according to ASLAPR standards rather than as part of a mandatory permanent student record.
- 25. Repeals the Arizona E-Learning Task Force.
- 26. Defines terms for all statutes pertaining to SAIS.
- 27. Makes technical and conforming changes.

AMENDMENTS

Committee on Education

- 1. Requires a school service provider (provider) to:
 - a. Provide clear materials about the types of student personal information (information) the provider collects and how that information will be used and shared.
 - b. Provide prominent notice before making material changes to privacy policies.
 - c. Facilitate access to and correction of information by students and parents or guardians.
 - d. Obtain consent prior to using information in a manner inconsistent with the provider's privacy policy.
 - i. Requires a provider to obtain consent from a student's parent or guardian or the student if information is collected directly from students.
 - ii. Permits the school district, charter school or teacher to provide consent in all other cases.
 - e. Maintain a comprehensive security program.
 - f. Require any third party involved on the provider's behalf to adhere to the same requirements as the provider.
 - g. Delete information within a reasonable period of time if the school district, charter school or teacher requests the deletion of data, unless the provider has obtained consent to retain the information by the student or his/her parent or guardian or the student has transferred to another school district, charter school or teacher who has requested the information be retained.
- 2. Allows a provider to offer to a public school or teacher changes to privacy policies and the types and use of information by a school service provider.
- 3. Permits a provider to collect, use and share information only for the purposes authorized by the school district, charter school, teacher, parent, guardian or student.
 - a. Specifies that this prohibition does not apply to the purchase, merger or other type of acquisition of a provider or a provider's assets by another entity, provided the successor entity continues to be subject to this Act.

4. Prohibits a provider from:
 - a. Selling information.
 - b. Using or sharing information to target advertisements towards students.
 - c. Using information to create a personal profile for any other purpose than those permitted by the school district, charter school, teacher, parent, guardian or student.
 - i. Stipulates that *create a personal profile* does not include the collection and retention of account records or information that remains under the control of the student, parent, school or school district.
5. Exempts providers from the requirements of this Act for existing contracts, until the next renewal date of the contract.
6. Stipulates that the following is not prohibited:
 - a. Using information for adaptive learning, personalized learning or customized education.
 - b. Using information for maintaining, developing or diagnosing the school service's site, service or application.
 - c. Providing recommendations for school, educational or employment purposes within a school service's site, service or application without the response being determined by payment or other consideration from a third party.
 - d. Responding to a student's request for feedback without the response being determined by payment or other consideration from a third party.
 - e. Disclosing information to:
 - i. Ensure legal or regulatory compliance or protect against liability.
 - ii. Protect the security or integrity of its site, service or application.
 - iii. Respond to or participate in judicial process.
 - iv. Protect the safety of users or security of the school service's site, service or application.
 - v. To a service provider provided the school district contractually prohibits the use of information for any other purpose than providing the contracted service, prohibits the service provider from disclosing any information to a third party unless expressly permitted and requires the service provider to comply with this Act.
7. Prohibits this Act from being construed to impede the ability of students to download, export or otherwise save or maintain their own student data.
8. Provides that this act may be cited as the "Student User Privacy in Education Rights Act" or the "SUPER Act."
9. Defines terms.



HOUSE OF REPRESENTATIVES

SB 1200

mining and mineral museum; transfer

Sponsor: Senator Griffin

DPA Committee on Energy, Environment and Natural Resources

DPA Committee on Appropriations

X Caucus and COW

House Engrossed

OVERVIEW

SB 1200 transfers the responsibility of maintaining the Mining and Mineral Museum from the Arizona Historical Society (AHS) to the Arizona Geological Survey (AGS) and makes statutory changes to implement this Act.

HISTORY

Laws 2010, Chapter 277 transferred the responsibility of maintaining the Arizona Mining and Mineral Museum from the former Arizona Department of Mines and Mineral Resources to the Arizona Historical Society (AHS) as part of the Centennial Museum and established the Centennial and Mining and Mineral Museum Advisory Council (Centennial Council). The museum closed on May 1, 2011 for renovations but has not reopened since.

Laws 2014, Chapter 18 required the AHS and the Department of Administration (ADOA) to submit a report to the Joint Legislative Budget Committee (JLBC) with options for the use of the vacant museum building located at 1502 West Washington Street in Phoenix. A report was submitted, which provided four options, approximate costs or proceeds for the options and the preferred option of the AHS and the ADOA. The options included:

1. Reopening the Mining and Mineral Museum - \$2,120,300
2. Converting the space into offices - \$3,081,500
3. Selling the facility - \$2,900,000 (estimated proceeds)
4. Maintaining the status quo - No Cost

The report submitted to JLBC provided that the AHS and ADOA agreed to option 4. The Fiscal Year (FY) 2016 Baseline includes \$428,300 to cover the \$360,800 facility rent payment to ADOA and the \$67,500 salary for the museum curator.

The AHS is Arizona's oldest cultural organization, founded by the Territorial Legislature on November 7, 1864, and charged with preserving Arizona history for the present and future. The AHS, which is governed by a Board of Directors, acquires preserves, maintains and publicly exhibits archival and museum objects pertaining to the history of Arizona, the West and state-based Indian tribes. The AHS's most notable museums are in Yuma, Flagstaff, Tucson, Phoenix and Tempe.

PROVISIONS

1. Changes the name of the Centennial Museum to the Mining, Mineral and Natural Resources Educational Museum (Museum).
2. Transfers the obligation of maintaining and operating the Museum from the AHS to the AGS and repeals statutes relating to AHS management of the Museum.
 - a. Declares that the AGS succeeds to the authority, power and duties of the AHS with respect to the former Centennial Museum.

3. Allows the state geologist to do the following in order to operate and maintain the Museum:
 - a. Promote the recognition and celebration of the historical, cultural, economic and social contributions made by mining, mineral and natural resources industries;
 - b. Apply for and accept grants, donations, gifts, bequests of legacies of real or personal property or any other contributions as specified by the donor;
 - c. Accept restricted and unrestricted monies from federal, state and local governments;
 - d. Establish and collect entrance fees to the Museum;
 - e. Operate a gift shop;
 - f. Employ a curator;
 - g. Operate educational programming;
 - h. Accept services from volunteers; and
 - i. Pay necessary costs for operating and maintaining the Museum.
4. Requires the AGS to maintain the items, artifacts and other inventory for display or storage in the Museum and prohibits the sale and disposal of these items.
5. Establishes a separate account in the Geological Survey Fund consisting of monies to be used for the maintenance and operations of the Museum.
6. Transfers the duties of the Centennial Council to the newly established Mining, Mineral and Natural Resources Educational Museum Advisory Council (Advisory Council).
7. Modifies and transfers the membership of the Centennial Council to the Advisory Council, which will consist of the following members:
 - a. The state geologist;
 - b. One member representing the livestock industry;
 - c. Two members representing the mining industry;
 - d. One member representing the agriculture industry;
 - e. One member representing the tourism industry;
 - f. One member representing the timber industry;
 - g. One member who is knowledgeable of gems and minerals;
 - h. Two public members;
 - i. One member of the House of Representatives appointed by the Speaker; and
 - j. One member of the Senate appointed by the President.
8. Reduces the term of office for members of the Advisory Council from five years to four years, allows members serving on the Advisory Council to continue to serve until the expiration of the member's current term and specifies all subsequent appointed members will serve four-year terms.
9. Allocates monies from the Arizona Centennial Special Plate Fund to the AGS to pay for maintenance and operations of the museum and requires all unexpended and unencumbered monies remaining in the Centennial Special Plate Fund to be transferred to the Museum account in the Geological Survey Fund.
10. Specifies that this Act does not alter the effect of any actions that were taken or impair the valid obligations of the AHS with respect to the former Centennial Museum in existence before the effective date of this Act and now assumed by the AGS.
11. Requires the AHS to provide a list, the location and assist with the transfer of all Mining and Mineral Museum inventory to the AGS.
12. Requires the state geologist to submit a report of the operations of the Museum, which will include a determination if General Fund monies are necessary for continued maintenance and operations of the Museum, information relating to excess specimens and recommendations of additional uses of the Museum to the Governor, the Legislature and the Secretary of State prior to January 1, 2019.

13. Appropriates \$428,300 and one full-time equivalent position from the AHS to the AGS in FY 2016 for use in operating the museum.
 - a. Grants a one-year exemption of any obligation for payment of rent to ADOA for use of the building and specifies the appropriated monies will be used for maintenance and repair of the building.
14. Makes technical and conforming changes.

AMENDMENTS

Energy, Environment and Natural Resources

1. Provides an additional one-year exemption of any obligation for payment of rent to ADOA for use of the museum building.

Appropriations

2. Removes the exemption of any obligation for payment of rent to ADOA for use of the museum building.



HOUSE OF REPRESENTATIVES

SB 1046

criminal trespass; first degree; classification

Sponsors: Senator Pierce

DP Committee on Judiciary

X Caucus and COW

House Engrossed

OVERVIEW

SB 1046 increases the penalty from a Class 6 felony to a Class 5 felony for the offense of criminal trespass in the first degree by knowingly entering or remaining unlawfully in or on a critical public service facility.

HISTORY

Arizona Revised Statutes (A.R.S.) § 13-1504 specifies that a person commits criminal trespass in the first degree by knowingly: 1) entering or remaining unlawfully in or on a residential structure; 2) entering or remaining unlawfully in a fenced residential yard; 3) entering or remaining unlawfully in a fenced residential yard and, without lawful authority, looking into a residential structure thereon in reckless disregard of infringing on the inhabitant's right of privacy; 4) entering unlawfully on real property that is subject to a valid mineral claim or lease with the intent to hold, work, take or explore for minerals on the claim or lease; 5) entering or remaining unlawfully on the property of another and burning, defacing, mutilating or otherwise desecrating a religious symbol or other religious property of another without the express permission of the owner of the property; 6) entering or remaining unlawfully in or on a critical public service facility.

A.R.S. § 13-1501 defines *critical public service facility* as (a) a structure or fenced yard that is posted with signage indicating it is a felony to trespass or signage indicating high voltage or high pressure and is used by a rail, bus, air or other mass transit provider, a public or private utility, any municipal corporation, city, town or other political subdivision that is organized under state law and that generates, transmits, distributes or otherwise provides natural gas, liquefied petroleum gas, electricity or a combustible substance for a delivery system that is not a retail-only facility, a telecommunications carrier or telephone company, a municipal provider as defined in section 45-561, a law enforcement agency, a public or private fire department or an emergency medical service provider; (b) a structure or fenced yard or any equipment or apparatus that is posted with signage indicating it is a felony to trespass or signage indicating high voltage or high pressure and is used to manufacture, extract, transport, distribute or store gas, including natural gas or liquefied petroleum gas, oil, electricity, water or hazardous materials, unless it is a retail-only facility.

PROVISIONS

1. Increases the penalty from a Class 6 felony to a Class 5 felony for the offense of criminal trespass in the first degree by knowingly entering or remaining unlawfully in or on a critical public service facility.
2. Makes a conforming change.



HOUSE OF REPRESENTATIVES

SB 1459

pupils; restraint; seclusion; requirements

Sponsors: Senators Ward, Miranda

DP Committee on Judiciary

X Caucus and COW

House Engrossed

OVERVIEW

SB 1459 outlines the requirements for a school's use of pupil restraint and seclusion techniques.

HISTORY

Arizona Revised Statutes (A.R.S.) Title 15, Chapter 1 states the general provisions for the regulation of education. Repealed by Laws 2013, 1st S.S., Chapter 3 § 1A as part of the 2013-2014 K-12 education budget reconciliation, A.R.S. § 15-105 formally regarded the transfer of monies.

Added by Laws 2002, Chapter 279 § 1 the definition for *seclusion* provided in A.R.S. § 8-501(14)(b) means *placing a child against the child's will in a room in which the child is unable to open the door in order to prevent the child from doing harm to self or others*. This section also defines *chemical restraint*, *mechanical restraint*, and *physical restraint*.

PROVISIONS

1. Allows a school to enforce restraint or seclusion techniques if the pupil's behavior presents an immediate danger to others and less restrictive measures are insufficient to mitigating the danger.
2. Applies the following regulations if a restraint or seclusion technique is imposed on a pupil:
 - a. Requires school personnel to maintain continuous visual observation of the pupil while the technique is employed.
 - b. Mandates that the use of a restraint or seclusion technique end when the pupil's behavior no longer poses an immediate danger.
 - c. Specifies that a restraint or seclusion technique can only be used by trained school personnel, unless the situation is deemed an emergency.
 - d. Stipulates that the employed restraint technique may not obstruct the pupil's ability to breath.
 - e. States that the restraint technique may not be out of proportion to the pupil's age or physical condition.
3. Allows a school to establish policies and procedures for the use of such techniques and may include these policies in a school safety or crisis intervention plan, as long as the plan is not specific to an individual pupil.
4. Requires a school to adopt reporting and documentation procedures and must include the following requirements:
 - a. The school must provide the pupil's parent or guardian with written or oral notice the same day the incident occurred or within 24 hours if a same-day notification cannot be made.
 - b. The school must provide the pupil's parent or guardian with documentation which includes persons, locations or activities that may have provoked the behavior and its precursors, the type of technique employed and the duration of time in which the technique was used.

- c. If there are repeat incidences, the school must review the strategies used to address the pupil's behavior that include incidents in which restraint or seclusion techniques were used and an analysis of how future incidents can be avoided.
- d. Requires the school to follow the same review and documentation procedures prescribed in statute if law enforcement is summoned rather than employ the use of a restraint or seclusion technique.
- e. Authorizes the school's resource office to respond to a situation that presents an imminent danger of bodily harm.

5. Defines *restraint*, *school* and *seclusion*.



HOUSE OF REPRESENTATIVES

SB 1271

virtual border fence; appropriation

Sponsors: Senators Worsley, Driggs; Representative Coleman

DP Committee on Military Affairs and Public Safety

DP Committee on Appropriations

X Caucus and COW

House Engrossed

OVERVIEW

SB 1271 is an emergency measure that appropriates monies in the Border Security Trust Fund (Fund) to the Joint Border Security Advisory Committee (JBSAC) for the construction and maintenance of the physical or virtual border fence.

HISTORY

Laws 2011, Chapter 309, as amended by Laws 2014, Chapter 170, authorizes the construction and maintenance of a physical or virtual border fence within one mile of the Arizona-Mexico border line. JBSAC is comprised of six nonvoting members from the Legislature, six members appointed by the Governor, and four county sheriffs. JBSAC receives testimony relating to the Mexico border, analyzes border crossing and related crime statistics, makes recommendations to increase border security, and administers and manages the construction and maintenance of the physical or virtual border fence (Arizona Revised Statutes § 41-113).

The Fund consists of public and private donations and is used for the construction and maintenance of the physical or virtual border fence. The state treasurer administers the Fund and Fund monies are subject to Legislative appropriation and are exempt from lapsing. The Fiscal Year (FY) 2014 Fund ending balance was \$264,400, and no monies were expended from the Fund during this time.

PROVISIONS

1. Stipulates that the physical or virtual border fence may be located as close as practicable to the Arizona-Mexico border line, rather than within one mile.
2. Appropriates all Fund monies received during FYs 2015 and 2016 to JBSAC to administer and manage the construction and maintenance of the physical or virtual border fence and exempts the appropriation from lapsing.
3. Contains an emergency clause and becomes effective upon signature by the Governor.



HOUSE OF REPRESENTATIVES

SB 1291

firearms; state preemption; penalties

Sponsors: Senators Smith, Allen, Burges, et al.

DP Committee on Military Affairs and Public Safety

X Caucus and COW

House Engrossed

OVERVIEW

SB 1291 prescribes a penalty for knowingly and willfully enacting any ordinance, regulation, tax, or rule that is in violation of state firearm preemption laws.

HISTORY

Arizona Revised Statutes (A.R.S.) § 13-3101 defines a *firearm* as any loaded or unloaded handgun, pistol, revolver, rifle, shotgun, or other weapon that expels a projectile by the action of an explosive, but does not include a firearm in permanently inoperable condition.

A.R.S. § 13-3108 outlines state firearm preemption laws, which prohibit a political subdivision from enacting any ordinance, rule, or tax relating to the transportation, possession, carrying, sale, transfer, purchase, acquisition, gift, devise, storage, licensing, registration, discharge, or use of firearms. A political subdivision is prohibited from enacting any rule or ordinance relating to firearms that is more restrictive or carries a greater penalty than state law. Additionally, a political subdivision may not require the licensure or registration of firearms or prohibit the ownership, purchase, sale, or transfer of firearms. For the purposes of this section, a *political subdivision* is defined as a political subdivision that acts in any capacity, including under police power, in a proprietary capacity or otherwise.

State firearm preemption laws do not preclude a political subdivision from imposing a sales tax on the sale, lease, or rental of firearms pursuant to state law or enacting an ordinance or rule that prohibits an unaccompanied minor from possessing a firearm. Any relevant ordinance or rule does not apply if the minor is lawfully engaged in shooting, hunting, or agricultural activities.

A political subdivision is prohibited from retaining any personal identifying information or other record of the use of temporary storage for firearms at public events or establishments pursuant to A.R.S. § 13-3102.01.

PROVISIONS

1. Declares any ordinance, regulation, tax, or rule enacted by a political subdivision that is in violation of state firearm preemption laws as invalid.
2. Subjects the political subdivision to a permanent injunction from enforcement of the ordinance, regulation, tax, or rule.
3. Stipulates that acting in good faith or on advice from legal counsel does not constitute a defense for the political subdivision against the injunction.
4. Permits a person or organization adversely affected by the ordinance, regulation, tax, rule, or other measure adopted or enforced by the political subdivision to file a civil action against the political subdivision in the appropriate court of jurisdiction.

5. Awards a plaintiff who prevails in a civil action against a political subdivision both reasonable attorney fees and costs and up to \$100,000 in actual damages.
6. Assesses a civil penalty of up to \$5,000 against the elected or appointed official or administrative agency head of the political subdivision under whose jurisdiction the violation of state firearm preemption laws occurred if a court finds that the violation is knowing and willful.
7. Prohibits a political subdivision from using public monies to defend or reimburse the person against whom the civil penalty is assessed.
8. Subjects a person who knowingly and willfully violates state firearm preemption laws while acting in an official capacity to termination of employment.
9. Makes technical and conforming changes.



HOUSE OF REPRESENTATIVES

SB 1387

recreational user immunity; access

Sponsors: Senators Pierce, Allen; Representative Pratt, et al.

DP Committee on Military Affairs and Public Safety

X Caucus and COW

House Engrossed

OVERVIEW

SB 1387 specifies that payment by a state agency for the use of lands for recreational or associated activities does not qualify as payment of an admission fee.

HISTORY

Arizona Revised Statutes § 33-1551 provides liability protection for public and private entities that allow the use of their lands for recreational or educational activities. More specifically, land owners, easement holders, lessees, tenants, managers, or occupants are not liable for injuries to persons or property caused by a recreational user on their lands unless willful, malicious, or grossly negligent conduct occurs.

A *recreational user* is defined as a person to whom permission has been granted or implied without the payment of an admission fee or any other consideration to travel across or to enter the premises to hunt, fish, trap, camp, hike, ride, engage in off-highway vehicle, off-road recreational motor vehicle, or all-terrain vehicle activities, operate aircraft, exercise, swim, or engage in other outdoor recreational activities.

Public entities and nonprofit organizations are able to charge recreational users a *nominal fee* to cover the costs of providing recreational or educational services, which does not qualify as an *admission fee*. The differentiation between the fees allows public entities and nonprofit organizations to collect payment to offset the costs of providing the services while maintaining liability protection for injuries caused by recreational users.

PROVISIONS

1. Expands the definition of *recreational user* to specify that payment by a state agency to a land owner, easement holder, or lessee for public recreational access to their lands does not constitute payment of an admission fee or other consideration.



HOUSE OF REPRESENTATIVES

SB 1041

simulcast racing; pari-mutuel wagering

Sponsor: Senator Pierce

DP Committee on Rural and Economic Development

X Caucus and COW

House Engrossed

OVERVIEW

SB 1041 allows racing permittees to submit a written contract to the Arizona Department of Racing (Department), to permit simulcast dog, horse or harness racing at the same time live races take place.

HISTORY

The Department is tasked with regulating and supervising pari-mutuel racing and wagering to protect racing participants and the wagering public. Pursuant to Arizona Revised Statutes § 5-110, live racing and wagering on simulcast races is permitted in the daytime or nighttime, except no live dog racing is permitted if live horse or harness racing also takes place in the same county on the same day. Statute provides an exception allowing concurrent dog and horse racing to take place if all permittees submit to the Department a written contract allowing the races to occur.

Statute further provides that wagering on simulcast dog races before 4:15 PM is not permitted on days when there is live daytime horse or harness racing in the same county. Additionally, no wagering is permitted on simulcast horse or harness races after 7:30 PM on the same day that there is nighttime dog racing in the same county. Statute does not currently provide exemptions for simulcast rules.

PROVISIONS

1. Allows wagering on simulcast dog races before 4:15 PM on the same day that there is live daytime horse or harness racing, and wagering on simulcast horse races after 7:30 PM on the same day there is live dog racing, if all permittees in the county submit a written agreement allowing the wagering to occur.



HOUSE OF REPRESENTATIVES

SB 1237

electronic driver licenses; ADOT authority

Sponsors: Senators Dial; Worsley

DP Committee on Transportation and Infrastructure

DPA/SE Committee on Appropriations

X Caucus and COW

House Engrossed

OVERVIEW

SB 1237 adds the implementation and development of electronic driver licenses to the duties of the Director of Arizona Department of Transportation.

SUMMARY OF THE PROPOSED STRIKE-EVERYTHING AMENDMENT TO SB 1237

The proposed strike-everything amendment to SB 1237 provides that certain enforcement authority under the Citizen's Clean Elections Act (Act) applies to *participating* candidates. Repeals the requirement to disclose cumulative independent expenditures (IEs) exceeding \$500.

HISTORY

Voters passed the Act in November 1998. The Act established a campaign financing system to provide public funding to qualified candidates running for legislative and statewide offices and created the Citizen's Clean Election Commission (CCEC) to enforce the Act's provisions. To be certified as a clean elections candidate, individuals must obtain a predetermined number of \$5 qualifying contributions from constituents. Once qualified, clean elections candidates must follow strict contribution and spending limits, as well as reporting requirements, and participate in required debates. During the 2014 general election, 46 candidates ran as clean elections candidates. These candidates received approximately \$1.9 million from the CCEC to conduct their campaigns. The Citizens Clean Elections Fund (Fund) monies come from a 10% surcharge imposed on all civil penalties and criminal fines, civil penalties paid by candidates, and \$5 qualifying contributions collected by participating candidates.

Currently, any person who makes IEs related to a particular office cumulatively exceeding \$500 in an election cycle must file reports with the Secretary of State (SOS) in accordance with statute so indicating. The report must also identify the office and the candidate or group of candidates whose election or defeat is being advocated and state whether the person is advocating election or advocating defeat. The exceptions to this requirement include expenditures permitted by corporations and labor organizations and any IE by an organization arising from a communication directly to the organization's members, shareholders or employees (Arizona Revised Statutes § 16-941 [D]).

PROVISIONS

1. Provides that certain enforcement authority under the Act applies to *participating* candidates as it relates to the following:
 - a. Civil penalties for violation of reporting requirements.
 - b. Disqualification or forfeiture from office for violating spending and contribution limits in excess of 10% of the sum of the adjusted primary election spending limit and the adjusted general election spending limit.
 - c. Criminal offenses for knowingly violating political campaign limits on spending and contributions.

- d. Requirement to use approved reporting systems.
 - e. Ensuring deposit of Fund monies and checks into candidate campaign accounts and monitoring reports and financial records.
 - f. Action on any external complaint that is filed within a specified timeframe.
 - g. Subpoena power as it relates to items material to the performance of CCEC's duties or the exercise of CCEC's powers.
 - h. Serving persons who have violated the Act.
 - i. Complaints made about opposing candidates believed to have violated the Act.
 - j. Public inspection of bank accounts, campaign finance reports and financial records relating to the candidate's campaign.
 - k. Prohibition on conspiring with a donor to postpone delivery of a donation to the campaign for the purpose of postponing the reporting of the donation.
2. Repeals the requirement for any person who makes IEs related to a particular office cumulatively exceeding \$500 in an election cycle to disclose that information along with the following:
 - a. The office and the candidate or group of candidates whose election or defeat is being advocated.
 - b. Whether the person is advocating election or advocating defeat.
 3. Removes subsequent supplemental reports for IEs exceeding \$1,000.
 - a. Strikes the requirement for the SOS to notify the CCEC of cumulative IE disclosures and removes the requirement for the CCEC to promptly mail or deliver a copy of each report filed to all participating candidates opposing the candidate identified in the report.
 - b. Removes the requirement for the CCEC to adopt rules to implement these supplemental reports.
 4. Contains a Proposition 105 clause.
 5. Makes technical and conforming changes.

AMENDMENTS

Committee on Appropriations

1. The proposed strike-everything amendment was adopted.



HOUSE OF REPRESENTATIVES

SB 1325

first responder special plates

Sponsors: Senators Miranda, Begay, Contreras, et al.

DP Committee on Transportation & Infrastructure

X Caucus and COW

House Engrossed

OVERVIEW

SB 1325 establishes the First Responder Special License Plate and Fund.

HISTORY

The Arizona Department of Transportation (ADOT) Motor Vehicle Division (MVD) provides one license plate to every motor vehicle owner for each vehicle registered. Vehicle license plates display both the state name and a number assigned to the vehicle and the owner, as well as MVD issued registration stickers. In addition to standard Arizona vehicle license plates, MVD issues special license plates for a variety of causes and organizations. The fee for obtaining or renewing a special license plate is \$25. From the \$25 fee, \$8 is an administrative fee that goes to ADOT, and \$17 is used as an annual donation to the respective organization. The cost of each new special license plate is \$32,000. The money is used for the production of the new special plate.

According to MVD, there are over 60 types of license plates available in Arizona including specialized license plates, with the most popular being the personalized license plate. There are six military special plates, two types of handicapped plates and plates for the three state universities. There are also license plates indicating the vehicle's status, such as a farm vehicle or historic vehicle.

The 100 Club of Arizona was established in 1968. The original charter mission of the 100 Club of Arizona is to come to the immediate financial aid of the family of an officer who gives his or her life in the line-of-duty. As time has passed, this mission has expanded and changed. The scholarship fund with the 100 Club was established in 2006 and has provided more than \$1 million to students statewide. The 100 Club's Scholarship Program is funded solely from community donations, memberships, and donations from their many partners and sponsors.

PROVISIONS

1. Establishes the First Responder Special License Plate contingent upon an entity paying \$32,000 to ADOT by December 31, 2015.
 - a. Establishes that the entity providing the \$32,000 will choose the design and color of the plates with final approval coming from ADOT.
 - b. Allows a request for Military Scholarship Special License Plate to be combined with a request for personalized plates.
2. Specifies that a First Responder Special License Plate will cost \$25 for originals and renewals.
 - a. \$8 is an administration fee.
 - b. \$17 is an annual donation.
3. Requires ADOT to deposit all administration fees in the State Highway Fund (SHF) and all donations collected in the First Responder Special Plate Fund (Fund).
4. Establishes the Fund and allows the Director to administer the Fund.

5. Requires the first \$32,000 in the Fund to be reimbursed to the entity that paid the implementation fee.
6. Limits the amount of money used from the Fund for the cost of administration to 10 percent.
7. Requires the Director to annually allocate money from the Fund to an entity that is a charitable organization which is qualified under section 501(c) (3) of the United States Internal Revenue Code for Federal Income Tax Purposes and must offer immediate financial assistance, emotional support, peer training, and professional referral services to families of public safety officers who are seriously injured or killed in the line of duty.
8. Specifies the foundation must satisfy all of the following requirements:
 - a. Offer scholarships to family members of public safety officers and firefighters who wish to continue their education beyond high school.
 - b. Have been in existence for at least 45 years.
9. Allows the state treasurer to invest and divest monies in the Fund upon notice from the director and monies earned from investments will be credited to the Fund.
10. Makes technical and conforming changes.



HOUSE OF REPRESENTATIVES

SCR 1012

primary freight network; supporting ADOT

Sponsors: Senators Worsley, Farley; Representative Coleman, et al.

DP Committee on Transportation & Infrastructure

X Caucus and COW

House Engrossed

OVERVIEW

SCR 1012 expresses support for the Arizona Department of Transportation's (ADOT) recommendations to the federal government regarding primary freight networks (PFN).

HISTORY

The Moving Ahead for Progress in the 21st Century Act (MAP-21), a two year transportation reauthorization bill, was signed into law July 6, 2012. MAP-21 creates a multimodal program to address transportation issues such as improving safety, maintaining infrastructure condition, reducing traffic congestion, improving efficiency of the system and freight movement and protecting the environment.

Under United States Code 23 § 167(c), the national freight network will consist of the primary freight network (PFN), the portions of the Interstate System not designated as part of the PFN and critical rural freight corridors. The designation of the PFN will be based on an inventory of national freight volume conducted by the administrator of the Federal Highway Administration, in consultation with stakeholders, including system users, transport providers and states. The PFN will be comprised of not more than 27,000 centerline miles of existing roadways that are most critical to the movement of freight, but the 27,000 mile cap may be increased by an additional 3,000 centerline miles of existing and planned roadways that the Secretary deems critical to the future efficient movement of goods on the PFN.

PROVISIONS

1. Expresses that the members of the Legislature support ADOT's comments to the United States Department of Transportation (USDOT) in response to the proposed designation of the PFN and agree with ADOT's alternative proposals and suggestions.
2. Expresses that the members of the Legislature support the modification of the USDOT's draft PFN to conform to ADOT's comments and this resolution.
3. Expresses that the members of the Legislature support the conducting of a corridor competitiveness study by ADOT.



HOUSE OF REPRESENTATIVES

SB 1181

vehicle inspections; ADOT

Sponsors: Senator Worsley; Representative Gray

DP Committee on Ways and Means

X Caucus and COW

House Engrossed

OVERVIEW

SB 1181 allows the Arizona Department of Transportation (Department) Director to establish a fee for a Level Two or Level Three inspection that is conducted at a location other than the Department's facility for an insurance company or agent.

HISTORY

Arizona Revised Statutes (A.R.S.) outlines law regarding title certificates for salvaged, stolen and nonrepairable vehicles. Specifically, subsection L requires an insurance company or agent to submit an affidavit to the Department if the vehicle was recovered from theft and has damages to the air bag system or other significant damage compromising the function of the vehicle. The Department is prohibited from issuing a certificate of title in such cases but may issue a restored salvage certificate of title if all of the following apply: (1) the vehicle is repairable; (2) the Department completes a Level Three inspection; and (3) the vehicle meets other requirements prescribed by the Department.

A.R.S. § 28-2011 describes the three levels of vehicle inspections that the Department is authorized to conduct. Currently, the inspections and fees are outlined as follows:

- Level One: consists of matching the public identification number and a secondary identification number to the ownership documents to determine the vehicle's identity.
- Level Two: consists of matching the public, secondary and confidential vehicle identification numbers to the ownership documents to determine the vehicle's identity and is subject to a \$20 fee.
- Level Three: consists of a Level Two inspection plus verification of the vehicle identification numbers on some or all parts to determine the vehicle's identity and to prove the vehicle is fit for highway use and is subject to a \$50 fee.

PROVISIONS

1. Allows the Director of the Department to establish an additional inspection fee for a Level Two or Level Three inspection conducted at a location other than the Department's facility for an insurance company or agent.
2. Includes Level Two inspections in the list of requirements for issuance of a restored salvage certificate of title for a recovered vehicle with damage to the vehicle's structure or air bag system.
3. Requires the Department to perform a Level Three inspection if a request has been made by the insurance company or agent per application for a certification of title, as long as the vehicle is not wrecked or stripped of equipment and an affidavit has been submitted by the insurance company or agent.



HOUSE OF REPRESENTATIVES

SB 1319

taxation; self-reported errors; injured spouses

Sponsors: Senators Worsley, Driggs; Representative Cardenas, et al.

DPA Committee on Ways and Means

X Caucus and COW

House Engrossed

OVERVIEW

SB 1319 requires the Department of Revenue (DOR) to prescribe and review forms for taxpayers to claim injured spouse relief and allows taxpayers to correct an underpaid tax return without penalty.

HISTORY

Arizona Revised Statutes (A.R.S.) § 42-1122 requires DOR to establish a program by which tax refunds are used to pay debts the taxpayer owes to the state, an agency, political subdivision or court. Statute requires that DOR match and cross reference at least two identification items with the entity owed the debt.

Arizona Form 200 is used to request relief from liability for tax, plus related penalties and interest that the taxpayer thinks should be paid only by their spouse or former spouse, known as innocent spouse relief. Form 200 states that it is not for injured spouse relief, which is where one spouse's share of an overpayment shown on a joint return is applied against the other spouse's past-due state taxes, child support or other debts owed to agencies or courts.

PROVISIONS

1. Allows taxpayers to apply to DOR for protection of their share of any overpayment or refund from being offset by their spouse's owed state taxes, child support, spousal maintenance, debt to courts or debt to state agencies, known as injured spouse relief.
2. Requires DOR to review and prescribe forms for taxpayer's filing for injured spouse relief.
3. Specifies that claims for protection may not exceed the taxpayer's portion of the entire refund or overpayment.
4. Specifies that a penalty for underpaid taxes may not be assessed if the taxpayer voluntarily identifies errors in the original return and files an amended return.
5. Makes technical and conforming changes.

AMENDMENTS

Committee on Ways and Means

1. Specifies that that amount of the claimant's protected tax share is determined by a proration based on each spouse's estimated tax payments or taxes withheld from wages.
2. Allows a tax payer to file a refund request for moneys that have already been distributed due to a spouse's indebtedness.
3. Allows a taxpayer to appeal determinations related to this Act.
4. Makes technical and conforming changes.

5. Contains an effective date from and after December 31, 2015.